Assembly Bill No. 2503

Passed the Assem	bly August 22, 2014
	Chief Clerk of the Assembly
Passed the Senate	August 21, 2014
	Secretary of the Senate
This bill was	received by the Governor this day
of	, 2014, at o'clockм.
	Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 7500.2, 7502.2, 7507.115, 7508.1, 7508.4, and 7508.5 of, and to amend and renumber Section 7505.2 of, the Business and Professions Code, to amend Section 41612 of the Government Code, and to amend Sections 28, 4000, and 11705 of, and to add Section 10856 to, the Vehicle Code, relating to repossessors, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2503, Hagman. Repossessors.

(1) Existing law, the Collateral Recovery Act, provides for the licensure and regulation of repossession agencies by the Bureau of Security and Investigative Services. A violation of the act is a crime.

This bill would require a repossession agency to only transact business with a person or entity as an independent contractor, and would prohibit a licensed repossession agency from allowing a person or entity, other than the qualified certificate holder or the owner or officer of the repossession agency, to manage the day-to-day operations, operate, control, or transact business under the license of the repossession agency, except as specified. By expanding the scope of a crime, the bill would impose a state-mandated local program.

(2) Under existing law, a financial institution that knowingly engages a nonexempt unlicensed person to repossess collateral on its behalf is guilty of a misdemeanor.

This bill would expand the above crime to apply to a buy-here-pay-here dealer, as defined. By expanding the scope of a crime, the bill would impose a state-mandated local program.

(3) Existing law prohibits a repossessor from appraising the value of any collateral.

The bill would further prohibit the appraisal or determination of the value of any collateral, whether damaged or not. The bill would also require a specified statement on condition reports and would specify that condition reports do not include all damage or missing -3- AB 2503

parts. By expanding the scope of a crime, the bill would impose a state-mandated local program.

(4) Existing law authorizes the Director of Consumer Affairs to assess administrative fines for various prohibited acts, including using any identification to indicate registration as a repossessor, other than a registration card issued by the Bureau of Security and Investigative Services, except an employer identification card issued by the repossession agency which has bureau approval. Existing law allows an employee of a repossession agency to wear a badge, cap insignia, or jacket patch meeting specified requirements.

This bill would except a badge, cap insignia, or jacket patch from the prohibition on using any identification to indicate registration as a repossessor.

(5) Existing law authorizes the Director of Consumer Affairs to assess an administrative fine for the failure to present a debtor with an itemized receipt of payment, if payment is made in lieu of repossession.

This bill would delete this provision.

(6) Existing law requires that when possession is taken of a vehicle by or on behalf of a legal owner under the terms of a security or lease agreement, the debtor pay the police or parking authority a specified fee. Existing law prohibits the release of the vehicle to the debtor until the debtor provides proof of payment or pays the fee and an administrative fee to the person in possession or the legal owner. Existing law also provides for a fine if the fee is not transmitted to the police or parking authority. Existing law requires proof of payment to be retained by the party releasing possession to the debtor.

This bill would delete the provisions that allow the release of a vehicle to a debtor who pays the fee and an administrative fee to the person in possession or the legal owner. The bill would make other conforming changes to this provision.

(7) Existing law requires the person taking possession of a vehicle whenever possession is taken by or on behalf of any legal owner under the terms of a security agreement or lease agreement to notify local law enforcement within one hour of the repossession, as specified. Violation of these provisions is a crime.

This bill would require the repossessor to contact law enforcement within one hour of the repossession, would specify AB 2503 —4—

information that would be required to be provided in the notification, and, if law enforcement is unable to receive and record the notification, require the person to continue to attempt notification until the required information is provided, as specified.

By expanding the provisions of existing law, the violation of which is a crime, this bill would impose a state-mandated local program.

(8) Existing law prohibits a person from driving, moving, or leaving standing upon a highway or offstreet public parking facility any motor vehicle or other specified vehicle, unless it is registered and the appropriate fees have been paid. Existing law provides that a vehicle repossessed pursuant to the terms of a security agreement is exempt from registration solely for the purpose of transporting the vehicle from the point of repossession to the storage facilities of the repossessor, and from the storage facilities to the legal owner or a licensed motor vehicle auction, provided that the repossessor transports with the vehicle the appropriate documents authorizing the repossession and makes them available to a law enforcement officer on request.

This bill would additionally exempt from the registration requirement a vehicle obtained by a licensed repossessor as a release of collateral for the purpose of removing the vehicle to the storage facility or the facility of the legal owner. The bill requires a law enforcement agency, impounding authority, tow yard, storage facility, or any other person or entity that has possession of the vehicle to release the vehicle without requiring current registration. The bill would require a legal owner of collateral to hold a law enforcement agency, city, county, city and county, the state, a tow yard, storage facility, or impound yard harmless from liability if collateral is released in compliance with statute.

(9) Existing law establishes offenses for, among other things, willfully tampering or injuring a vehicle or its contents, as specified.

This bill would prohibit a person from interfering with the transport of a vehicle or other collateral to a storage facility, auction, or dealer by an individual who is employed by a repossession agency or is licensed as a repossession agency once repossession is complete, as provided. Violation of these provisions would be an infraction pursuant to other provisions of law.

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By creating a new crime, this bill would impose a state-mandated local program.

(10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(11) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 7500.2 of the Business and Professions Code is amended to read:

- 7500.2. (a) A repossession agency means and includes any person who, for any consideration whatsoever, engages in business or accepts employment to locate or recover collateral, whether voluntarily or involuntarily, including, but not limited to, collateral registered under the provisions of the Vehicle Code which is subject to a security agreement, except for any person registered pursuant to Article 7 (commencing with Section 7506).
- (b) A repossession agency licensed pursuant to this chapter shall only transact business with another person or entity as an independent contractor.
- (c) A repossession agency shall not allow a person or entity other than the qualified certificate holder, as provided in Section 7505.1, or the owner or officer of the repossession agency, to manage the day-to-day operations, operate, control, or transact business covered by this act, except as provided in Section 7503.3.
- SEC. 2. Section 7502.2 of the Business and Professions Code is amended to read:
- 7502.2. (a) A financial institution or a buy-here-pay-here dealer, as defined by Section 241 of the Vehicle Code, that knowingly engages a nonexempt unlicensed person to repossess collateral on its behalf is guilty of a misdemeanor, and is punishable by a fine of five thousand dollars (\$5,000).
- (b) Within existing resources, the Commissioner of Business Oversight may designate employees to investigate and report on violations of this section by any of the licensees of their

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department. Those employees are authorized to actively cooperate with the bureau in the investigation of those activities.

- (c) A proceeding to impose the fine specified in subdivision (a) may be brought in any court of competent jurisdiction in the name of the people of the State of California by the Attorney General or by any district attorney or city attorney, or with the consent of the district attorney, by the city prosecutor in any city or city and county having a full-time city prosecutor, for the jurisdiction in which the violation occurred. If the action is brought by a district attorney, the penalty collected shall be paid to the treasurer of the county in which the judgment is entered. If the action is brought by a city attorney or city prosecutor, one-half of the penalty collected shall be paid to the treasurer of the city in which the judgment was entered and one-half to the treasurer of the county in which the judgment was entered. If the action is brought by the Attorney General, all of the penalty collected shall be deposited in the Private Security Services Fund.
- SEC. 3. Section 7505.2 of the Business and Professions Code is amended and renumbered to read:
- 7507.125. Nothing in this chapter prohibits the using or taking of personal effects that are connected, adjoined, or affixed to the collateral through an unbroken sequence, if that use or taking is reasonably necessary to effectuate the recovery in a safe manner or to protect the collateral or personal effects. Nothing in this chapter prohibits the removal of a locking mechanism or security device on the collateral, before, during, or after a repossession. No storage fee shall be charged for the first week on any personal effects used to effectuate a recovery pursuant to this section. Any personal effects used or taken pursuant to this section shall be processed in a reasonably expedient manner pursuant to Sections 7507.9 and 7507.10.
- SEC. 4. Section 7507.115 of the Business and Professions Code is amended to read:
- 7507.115. (a) A licensee shall not appraise or determine the value of any collateral, whether damaged or not.
- (b) (1) Notwithstanding subdivision (a), a licensee may complete a condition report that makes a general assessment of the collateral.
- (2) A condition report does not include all damage or missing parts.

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- (3) A condition report shall include the following statement: "In accordance with Section 7505.115 of the Business and Professions Code, this condition report is a general assessment of the collateral and does not include all damage or missing parts."
- SEC. 5. Section 7508.1 of the Business and Professions Code is amended to read:
- 7508.1. The director may assess administrative fines for the following prohibited acts:
- (a) Knowingly making any false report to his or her employer or client for whom information was being obtained. The fine shall be one hundred dollars (\$100) for the first violation, and five hundred dollars (\$500) for each violation thereafter.
- (b) Using any identification to indicate registration as a repossessor, other than the bureau-issued registration card, except an employer identification card issued by the repossession agency which has met bureau approval, or a badge, cap insignia, or jacket patch as provided in Section 7508.8. A bureau-issued registration card shall be carried by those individuals specified by Section 7506.3, and shall be shown on demand to any bureau employee or law enforcement officer. The fine shall be twenty-five dollars (\$25) for each violation.
- (c) Using an alias in connection with the official activities of the licensee's business. A notice of warning shall be issued for the first violation. Thereafter the fine shall be twenty-five dollars (\$25) for each violation.
- (d) Appearing as an assignee party in any court proceeding involving claim and delivery, replevin, or other possessory court action, action to foreclose a chattel mortgage, mechanic's lien, materialman's lien, or any other lien. This section shall not prohibit a licensee from appearing as a defendant in any of the preceding actions. The fine shall be one hundred dollars (\$100) for each violation.
- SEC. 6. Section 7508.4 of the Business and Professions Code is amended to read:
- 7508.4. The director may assess administrative fines for any of the following prohibited acts:
- (a) Conducting business from any location other than that location to which a license was issued or conducting a business as an individual, partnership, limited liability company, or corporation unless the licensee holds a valid license issued to that exact same

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individual, partnership, limited liability company, or corporation. The fine shall be one thousand dollars (\$1,000) for each violation.

- (b) Aiding or abetting an unlicensed repossessor or assigning his or her license. "Assigning his or her license" means that no licensee shall permit a registrant, employee, or agent in his or her own name to advertise, engage clients, furnish reports, or present bills to clients, or in any manner whatsoever to conduct business for which a license is required under this chapter. The fine shall be one thousand dollars (\$1,000) for each violation.
- (c) Failing to register registrants within 15 days. The fine shall be two hundred fifty dollars (\$250) for each of the first two violations and one thousand dollars (\$1,000) for each violation thereafter.
- (d) Employing a person whose registration has expired or been revoked, denied, suspended, or canceled, if the bureau has furnished a listing of these persons to the licensee. The fine shall be twenty-five dollars (\$25) for each violation.
- (e) Failing to notify the bureau, within 30 days, of any change in officers. A notice of warning shall be issued for the first violation. Thereafter, the fine shall be twenty-five dollars (\$25) for each violation.
- (f) Failing to submit the notices regarding a violent act or threatened violent act within seven days pursuant to Section 7507.6 or to submit a copy of a judgment awarded against the licensee for an amount of more than the then prevailing maximum claim that may be brought in small claims court within seven days pursuant to Section 7507.7. The fine shall be twenty-five dollars (\$25) for the first violation and one hundred dollars (\$100) per violation thereafter.
- (g) Failing to include the licensee's name, address, and license number in any advertisement. A notice of warning shall be issued for the first violation. Thereafter, the fine shall be twenty-five dollars (\$25) for each violation.
- (h) Failing to maintain personal effects for at least 60 days. The fine shall be twenty-five dollars (\$25) for the first violation and one hundred dollars (\$100) for each violation thereafter.
- (i) Failing to provide a personal effects list or a notice of seizure within the time limits set forth in Section 7507.9 or 7507.10. The fine shall be twenty-five dollars (\$25) for the first violation and one hundred dollars (\$100) for each violation thereafter.

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- (j) Failing to file the required report pursuant to Section 28 of the Vehicle Code. The fine shall be twenty-five dollars (\$25) for each of the first five violations and one hundred dollars (\$100) for each violation thereafter, per audit.
- (k) Failing to maintain an accurate record and accounting of secure temporary registration forms. The qualified certificate holder shall be fined twenty-five dollars (\$25) for the first violation, one hundred dollars (\$100) for the second violation, two hundred fifty dollars (\$250) for the third violation, and two hundred fifty dollars (\$250) plus a one-year suspension of the privilege to issue temporary registrations pursuant to Section 7506.9 for the fourth and subsequent violations.
- (*l*) Representing that a licensee has an office and conducts business at a specific address when that is not the case. The fine shall be five thousand dollars (\$5,000) for each violation.
- (m) Notwithstanding any other provision of law, the money in the Private Security Services Fund that is attributable to administrative fines imposed pursuant to subdivision (c) shall not be continuously appropriated and shall be available for expenditure only upon appropriation by the Legislature.
- SEC. 7. Section 7508.5 of the Business and Professions Code is amended to read:
- 7508.5. The director may assess administrative fines against a repossession agency registrant for the following acts, in addition to fines imposed pursuant to any other section in this article. The fine shall be twenty-five dollars (\$25) for each of the following violations:
 - (a) Knowingly submit a false report.
- (b) Submitting a report to a client without authorization by his or her employer.
- (c) Failing to carry a bureau-issued identification card and failing to show that card upon demand to a bureau employee or a law enforcement officer.
 - (d) Failing to register.
- (e) Failing to return his or her registration card to the employer upon termination.
- (f) Failing to report a violent act involving the registrant to the licensee or the licensee's qualified certificate holder within 24 hours.

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- SEC. 8. Section 41612 of the Government Code is amended to read:
- 41612. After possession is taken of any vehicle by or on behalf of any legal owner thereof under the terms of a security agreement or lease agreement, the debtor shall pay the chief of police or a parking authority operated by a city and county a fee of fifteen dollars (\$15) for the receipt and filing of the report of repossession pursuant to Section 28 of the Vehicle Code before the vehicle may be redeemed by the debtor. Any person in possession of the vehicle shall not release it to the debtor without first obtaining proof of payment of the fee to the chief of police or parking authority. The proof of payment, or a copy thereof, shall be retained by the party releasing possession to the debtor for the period required by law. An individual working for a repossession agency licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code shall not pay the fee to, or retrieve the receipt from, the chief of police or parking authority.
 - SEC. 9. Section 28 of the Vehicle Code is amended to read:
- 28. (a) Whenever possession is taken of any vehicle by or on behalf of its legal owner under the terms of a security agreement or lease agreement, the person taking possession shall contact, for the purpose of providing the information required pursuant to subdivision (d) within one hour, after taking possession of the vehicle, by the most expeditious means available, the city police department where the taking of possession occurred, if within an incorporated city, or the sheriff's department of the county where the taking of possession occurred, if outside an incorporated city, or the police department of a campus of the University of California or the California State University, if the taking of possession occurred on that campus, and shall within one business day forward a written notice to the city police or sheriff's department. If, after an attempt to notify, law enforcement is unable to receive and record the notification required pursuant to subdivision (d), the person taking possession of the vehicle shall continue to attempt notification until the information required pursuant to subdivision (d) is provided.
- (b) If possession is taken of more than one vehicle, the possession of each vehicle shall be considered and reported as a separate event.

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- (c) Any person failing to notify the city police department, sheriff's department, or campus police department as required by this section is guilty of an infraction, and shall be fined a minimum of three hundred dollars (\$300), and up to five hundred dollars (\$500). The district attorney, city attorney, or city prosecutor shall promptly notify the Bureau of Security and Investigative Services of any conviction resulting from a violation of this section.
- (d) For the notification required by this section, the person shall report only the following information and in the following order:
 - (1) The approximate location of the repossession.
 - (2) The date and approximate time of the repossession.
 - (3) The vehicle year, make, and model.
 - (4) The last six digits of the vehicle identification number.
- (5) The registered owner as provided on the repossession assignment.
- (6) The legal owner requesting the repossession as provided on the repossession assignment.
 - (7) The name of the repossession agency.
 - (8) The telephone number of the repossession agency.
- SEC. 10. Section 4000 of the Vehicle Code is amended to read: 4000. (a) (1) A person shall not drive, move, or leave standing upon a highway, or in an offstreet public parking facility, any motor vehicle, trailer, semitrailer, pole or pipe dolly, or logging dolly, unless it is registered and the appropriate fees have been paid under this code or registered under the permanent trailer identification program, except that an off-highway motor vehicle which displays an identification plate or device issued by the department pursuant to Section 38010 may be driven, moved, or left standing in an offstreet public parking facility without being registered or paying registration fees.
- (2) For purposes of this subdivision, "offstreet public parking facility" means either of the following:
 - (A) Any publicly owned parking facility.
- (B) Any privately owned parking facility for which no fee for the privilege to park is charged and which is held open for the common public use of retail customers.
- (3) This subdivision does not apply to any motor vehicle stored in a privately owned offstreet parking facility by, or with the express permission of, the owner of the privately owned offstreet parking facility.

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- (4) Beginning July 1, 2011, the enforcement of paragraph (1) shall commence on the first day of the second month following the month of expiration of the vehicle's registration. This paragraph shall become inoperative on January 1, 2012.
- (b) No person shall drive, move, or leave standing upon a highway any motor vehicle, as defined in Chapter 2 (commencing with Section 39010) of Part 1 of Division 26 of the Health and Safety Code, that has been registered in violation of Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code.
- (c) Subdivisions (a) and (b) do not apply to off-highway motor vehicles operated pursuant to Sections 38025 and 38026.5.
- (d) This section does not apply, following payment of fees due for registration, during the time that registration and transfer is being withheld by the department pending the investigation of any use tax due under the Revenue and Taxation Code.
- (e) Subdivision (a) does not apply to a vehicle that is towed by a tow truck on the order of a sheriff, marshal, or other official acting pursuant to a court order or on the order of a peace officer acting pursuant to this code.
- (f) Subdivision (a) applies to a vehicle that is towed from a highway or offstreet parking facility under the direction of a highway service organization when that organization is providing emergency roadside assistance to that vehicle. However, the operator of a tow truck providing that assistance to that vehicle is not responsible for the violation of subdivision (a) with respect to that vehicle. The owner of an unregistered vehicle that is disabled and located on private property, shall obtain a permit from the department pursuant to Section 4003 prior to having the vehicle towed on the highway.
- (g) (1) Pursuant to Section 4022 and to subparagraph (B) of paragraph (3) of subdivision (o) of Section 22651, a vehicle obtained by a licensed repossessor as a release of collateral is exempt from registration pursuant to this section for purposes of the repossessor removing the vehicle to his or her storage facility or the facility of the legal owner. A law enforcement agency, impounding authority, tow yard, storage facility, or any other person in possession of the collateral shall release the vehicle without requiring current registration and pursuant to subdivision (f) of Section 14602.6.

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- (2) The legal owner of collateral shall, by operation of law and without requiring further action, indemnify and hold harmless a law enforcement agency, city, county, city and county, the state, a tow yard, storage facility, or an impounding yard from a claim arising out of the release of the collateral to a licensee, and from any damage to the collateral after its release, including reasonable attorney's fees and costs associated with defending a claim, if the collateral was released in compliance with this subdivision.
- (h) For purposes of this section, possession of a California driver's license by the registered owner of a vehicle shall give rise to a rebuttable presumption that the owner is a resident of California.
- SEC. 11. Section 10856 is added to the Vehicle Code, to read: 10856. (a) A person shall not interfere with the transport of a vehicle to a storage facility, auction, or dealer by an individual who is employed by a repossession agency or who is licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code once repossession is complete as provided in Section 7507.12 of the Business and Professions Code. This subdivision shall not apply to a peace officer while acting in an official capacity.
- (b) Any tow yard, impounding agency, or governmental agency, or any person acting on behalf of those entities, shall not refuse to release a vehicle or other collateral to anyone that is legally entitled to that vehicle or other collateral. This subdivision shall not apply to a vehicle being held for evidence by law enforcement or a prosecuting attorney.
- SEC. 12. Section 11705 of the Vehicle Code is amended to read:
- 11705. (a) The department, after notice and hearing, may suspend or revoke the license issued to a dealer, transporter, manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, or distributor branch upon determining that the person to whom the license was issued is not lawfully entitled thereto, or has done any of the following:
- (1) Filed an application for the license using a false or fictitious name not registered with the proper authorities, or knowingly made a false statement or knowingly concealed a material fact, in the application for the license.

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- (2) Made, or knowingly or negligently permitted, an illegal use of the special plates issued to the licensee.
- (3) Used a false or fictitious name, knowingly made a false statement, or knowingly concealed a material fact, in an application for the registration of a vehicle, or otherwise committed a fraud in the application.
- (4) Failed to deliver to a transferee lawfully entitled thereto a properly endorsed certificate of ownership.
- (5) Knowingly purchased, sold, or otherwise acquired or disposed of a stolen motor vehicle.
- (6) Failed to provide and maintain a clear physical division between the type of business licensed pursuant to this chapter and any other type of business conducted at the established place of business.
- (7) Willfully violated Section 3064 or 3065 or any rule or regulation adopted pursuant thereto.
- (8) Violated any provision of Division 3 (commencing with Section 4000) or any rule or regulation adopted pursuant thereto, or subdivision (a) of Section 38200.
- (9) Violated any provision of Division 4 (commencing with Section 10500) or any rule or regulation adopted pursuant thereto.
- (10) Violated any provision of Article 1 (commencing with Section 11700) of Chapter 4 of Division 5 or any rule or regulation adopted pursuant thereto.
- (11) Violated any provision of Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code or any rule or regulation adopted pursuant thereto.
- (12) Violated any provision of Chapter 3332b (commencing with Section 2981) of Title 14 of Part 4 of Division 3 of the Civil Code or any rule or regulation adopted pursuant thereto.
- (13) Submitted a check, draft, or money order to the department for any obligation or fee due the state which was dishonored or refused payment upon presentation.
- (14) Has caused any person to suffer any loss or damage by reason of any fraud or deceit practiced on that person or fraudulent representations made to that person in the course of the licensed activity.

For purposes of this paragraph, "fraud" includes any act or omission which is included within the definition of either "actual fraud" or "constructive fraud" as defined in Sections 1572 and -15- AB 2503

1573 of the Civil Code, and "deceit" has the same meaning as defined in Section 1710 of the Civil Code. In addition, "fraud" and "deceit" include, but are not limited to, a misrepresentation in any manner, whether intentionally false or due to gross negligence, of a material fact; a promise or representation not made honestly and in good faith; an intentional failure to disclose a material fact; and any act within Section 484 of the Penal Code.

For purposes of this paragraph, "person" also includes a governmental entity.

- (15) Failed to meet the terms and conditions of an agreement entered into pursuant to Section 11707.
- (16) Violated Section 43151, 43152, or 43153 of, or subdivision (b) of Section 44072.10 of, the Health and Safety Code.
- (17) Failed to repay a claim paid by the Consumer Motor Vehicle Recovery Corporation as provided in subdivision (i) of Section 11703.
- (18) As a buy-here-pay-here dealer, violated any provision of Chapter 11 (commencing with Section 7500) of Divisions 3 of the Business and Professions Code or any rule or regulation adopted pursuant to those provisions.
- (b) Any of the causes specified in this chapter as a cause for refusal to issue a license to a transporter, manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, distributor branch, or dealer applicant is cause to suspend or revoke a license issued to a transporter, manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, distributor branch, or dealer.
- (c) Except as provided in Section 11707, every hearing provided for in this section shall be conducted pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.
- SEC. 13. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.

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SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to preserve public peace by prohibiting a person from interfering with the transport of a vehicle to a storage facility, auction, or dealer by a repossessor, it is necessary that this act take effect immediately.

Approved	, 2014
	Governor